

## Message Text

PAGE 01 REYKJA 00223 051944Z

62

ACTION SS-30

INFO OCT-01 ISO-00 /031 W

----- 070273

R 051620Z FEB 74

FM AMEMBASSY REYKJAVIK

TO SECSTATE WASHDC 4317

S E C R E T REYKJAVIK 0223

STADIS////////////////////////////////////

EXDIS

E.O. 11652: GDS

TAGS: PFOR, MARR, IC, NATO

SUBJECT: ALLEGED SOVIET OIL THREAT

REF: (A) STATE 021998; (B) REYKJAVIK 0210

1. FORTUNATELY REFTEL (A) ARTICLE HAS NOT YET APPEARED IN MEDIA HERE, BUT IT IS TYPE OF STORY WHICH PRESS (RATHER THAN RADIO OR TV) MIGHT SAVE FOR LATER WHEN FITS THEIR PURPOSE. WE AT THIS EMBASSY, THEREFORE, STILL SOMEWHAT APPREHENSIVE ABOUT LEAK. WE CAN THINK OF COUPLE MORE PEOPLE ADDED TO THOSE NAMED REFTEL (B) WHO MIGHT THINK WE BETRAYED THEIR CONFIDENCE. REYKJAVIK IS A SMALL COMMUNITY.

2. THE LONGER THE INTERVAL BEFORE STORY REACHES ICELAND THE BETTER OFF WE ARE. ARTICLES SUCH AS QUOTED BELOW FROM MORGUNBLADID FEB 3, ARE HELPFUL IN THIS REGARD. PORTION QUOTED IS FROM EDITORIAL TITLED "THEY ARE OVER EAGER" AND DEALS WITH POSSIBILITY OF "FINLANDIZATION" OF ICELAND SHOULD IDF BE FORCED TO WITHDRAW.

3. QUOTE: THE FACT IS THAT THIS "FINNLANDIZING" IS ALREADY DETECTED IN ICELAND. A FEW WEEKS AGO IT WAS HINTED BY THE SOVIET AUTHORITIES THAT THE ICELANDERS COULD EXPECT LIMITATIONS ON OIL SALES TO ICELAND. THE RUSSIANS DID NOT STATE OPENLY WHETHER THIS DEPENDED ON THE DEFENSE FORCE LEAVING OR NOT, BUT OF  
SECRET

PAGE 02 REYKJA 00223 051944Z

COURSE THIS WAS IN THEIR MIND. WE NOW KNOW THAT THE RUSSIANS HAVE RENEGED ON DELIVERY OIL CARGOES WHICH WERE TO BE HERE SOME TIME AGO, MOST LIKELY THEY DID THIS BECAUSE THEY THOUGHT THAT WE WOULD NOT BE ABLE TO BUY OIL ON THE FREE MARKET AT

THE SAME PRICES WE BUY IT FROM THE RUSSIANS. THESE DAYS THE  
RUSSIANS DELAY ALL NEGOTIATIONS ON PURCHASE OF EXPORT PRODUCTS  
FROM ICELAND AND ALL THOSE WHO ARE FAMILIAR WITH EXPORTS KNOW  
THAT THIS ALSO IS A PART OF THEIR PRESSURE ON THE ICELANDIC  
GOVERNMENT. AND UNFORTUNATELY THE STORY MUST BE TOLD AS IT IS,  
THAT SOME OF THOSE PEOPLE WHO ARE RESPONSIBLE FOR EXPORTING OUR  
PRODUCTS YIELD TO THIS PRESSURE AFTER ALL THE THREATENINGS  
ARE UNSPARINGLY RECEIVED FROM BOTH THE FOREIGN NEGOTIATORS  
ON PURCHASES AND FROM THE LOCAL PARTIES, WHO WANT TO YIELD  
TO THE PRESSURE FROM THE RUSSIANS. END QUOTE.  
IRVING

SECRET

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 27 JUL 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, SUPPLIES, MILITARY BASES, DIPLOMATIC ULTIMATUM, THREATS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 FEB 1974  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974REYKJA00223  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** 11652 GDS  
**Errors:** n/a  
**Film Number:** P740146-0729  
**From:** REYKJAVIK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740268/abbrzbkb.tel  
**Line Count:** 68  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ACTION SS  
**Original Classification:** SECRET  
**Original Handling Restrictions:** EXDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** SECRET  
**Previous Handling Restrictions:** EXDIS  
**Reference:** (A) STATE 021998; (B) REYKJAVIK 0210  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 MAY 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <20 MAY 2002 by boyleja>; APPROVED <30 DEC 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ALLEGED SOVIET OIL THREAT  
**TAGS:** PFOR, MARR, IC, UR, NATO  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005